
NARROMINE SHIRE COUNCIL
ORDINARY MEETING BUSINESS PAPER – 10 AUGUST 2022
REPORTS TO COUNCIL – FINANCE AND CORPORATE STRATEGY

1. INVESTMENT REPORT AS AT 31 JULY 2022

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	CSP – 4.3 A financially sound Council that is responsible and sustainable DP - 4.3.1.5 Provide monthly cash balances and detailed quarterly financial reports to Council.

Executive Summary

Council's investments are made in accordance with legislative requirements and are certified as such by the Responsible Accounting Officer.

Report

Under the Local Government Act 1993 and Local Government (General) Regulation 2021, the Responsible Accounting Officer is required to report on Council's Investment portfolio on a monthly basis.

The management of Council's Investments is delegated by the General Manager to the Director of Finance and Corporate Strategy.

Council's current investment portfolio is diversified across a number of investment types and institutions. This includes term deposits, on-call accounts and managed funds. Investments are in accordance with the Office of Local Government's Guidelines and Council's Investment Policy.

The Government Guarantee on aggregated Investments up to \$1 million per account holder per institution expired 1 February 2012 and the new cap is \$250,000.

The investment portfolio decreased by **\$836,671** during the reporting period. This is due to the transfer of funds to the cheque account for cashflow purposes.

Financial Implications

The 2022/23 Budget estimates the total annual Investment Revenue as \$1,760,379 which represents an estimated return of 7.7% and is split proportionally across General, Water and Sewer Funds and changes on a monthly basis in accordance with cash flow requirements.

The market value of Council's Investments held as at 30 June 2022 is **\$22,331,163** (last month \$23,167,834). The full list of investments is in **Attachment No. 1**.

Legal and Regulatory Compliance

- Local Government Act, 1993 – Section 625
- Local Government (General) Regulation, 2021 – Clause 212
- Council Investment Policy 2019
- Ministerial Investment Order – 12 January 2011

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1. INVESTMENT REPORT AS AT 31 JULY 2022 (Cont'd)

Risk Management Issues

Council's risk management strategy is to diversify the allocation of funds across different financial institutions and government authorities based on credit ratings as per the Investment Policy. The investment portfolio is regularly reviewed in order to maximise investment performance and minimise risk.

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2021 and Council's Investment Policy.

Attachments

- 1 Investments – 31 July 2022

RECOMMENDATION

1. That the report regarding Council's Investment Portfolio be received and noted;
2. That the certification of the Responsible Accounting Officer is noted and the report adopted.

2. CARRY FORWARD CAPITAL WORKS AND RE-VOTES FROM 2021/22

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	4.3.1 Operate and manage Council in a Financially sustainable manner that meets all statutory and regulatory compliance and Council policies

Executive Summary

This report lists capital works recommended to be carried forward into the 2022/23 financial year.

Report

A list of started but uncompleted projects is provided as **Attachment 2** for Council's notation. All unspent monies on these projects were placed in reserves at the 30 June 2022 year end and will be brought forward to cover the cost of these projects. These works with their matching reserves and/or unspent grant monies will be carried forward into the 2022/23 financial year under Local Government (General) Regulations.

2. CARRY FORWARD CAPITAL WORKS AND RE-VOTES FROM 2020/21 (Cont'd)

A list of unstarted projects with their matching reserves and/or unspent grant monies is provided as **Attachment 3**. These works did not fall within clause 211 of Local Government (General) Regulation 2021 and must be adopted as part of the 2022/23 budget by a vote from Council.

Financial Implications

All monies for unspent projects from 2021/22 were placed in reserve at year end and/or had unspent grant monies attached, therefore there is no effect on this year's budget.

Legal and Regulatory Compliance

Local Government (General) Regulation 2021 (clause 211) – Authorisation of expenditure

Risk Management Issues

Nil

Internal/External Consultation

Nil

Attachments

- 2 Projects Commenced But Not Yet Completed as at 30 June 2022.
- 3 2021/22 Projects Not Commenced as at 30 June 2022.

RECOMMENDATION

1. That the list of carry forward works which were commenced in 2021/2022 but not completed (as shown in Attachment 2) be noted.
2. That the list of carry forward works which did not fall within clause 211 of Local Government (General) Regulation 2021 (as shown in Attachment 3), be adopted as part of the 2022/23 budget.

Barry Bonthuys
Director Finance & Corporate Strategy
Responsible Accounting Officer

Attachment 1 - Investments as at 31 July 2022

Financial Institution	Bank Rating	Investment Type/Maturity Date	Investment Rating	Current Rate	Term	Amount (\$)	Comment
Cash & At Call							
CBA	AA-	Business Online Saver - at call	A-1+	1.35%	N/A	2,173,715	S&P Short Term
TOTAL						2,173,715	
Percentage Exposure of Total Portfolio						9.73%	
Pooled Managed Investments							
				Mth %	FYTD%	Market Value	
TCorp	AAA	T-CorplM Long Term Growth Fund		2.98%	2.98%	16,110,838	
TCorp	AAA	T-CorplM Medium Term Growth Fund		2.37%	2.37%	4,046,610	
TOTAL						20,157,447	
Percentage Exposure of Total Portfolio						90.27%	
Total Investments and Cash						22,331,163	

ATTACHMENT 2 - CARRY OVER CAPITAL WORKS PROGRAM FROM 2021/22

Projects started but not completed

Asset Class	Town	Project Description	Amount to be Carried Over	Funded by
Aerodrome	Narromine	Taxi Way Construction (Gravel New) & Tie Downs	\$ 214,461	Grant/General Fund Reserves
Aerodrome	Narromine	Runway Lighting Upgrade	\$ 38,703	Grant/General Fund Reserves
Buildings	Narromine	Cale Oval Clubhouse, Grandstand & Facilities - Floor and Foundations	\$ 856,122	Grant/General Fund Reserves
Buildings	Narromine	Tennis Club Clubhouse	\$ 352,301	Grant
Buildings	Trangie	Trangie Showgrounds Amenities	\$ 22,361	Grant
Buildings	Trangie	Tennis Club Upgrade - Toilets and Entrance Ramp	\$ 71,502	General Fund Reserves
Buildings	Narromine	Hub N Spoke Works	\$ 56,843	Grant
Buildings	Trangie	Showground Judges Tower Upgrade	\$ 12,890	Grant
Buildings	Narromine	Saleyards Driver Reviver Upgrade	\$ 751	Grant
IT Services	Trangie	CCTV Main Street	\$ 94,292	Grant
IT Services	Narromine	Audio-Video Equipment Replacement Council Chambers	\$ 7,515	General Fund Reserves
IT Services	Narromine	CCTV Main Street	\$ 105,365	Grant
Real Estate Development	Narromine	Aerodrome Hangar - Lot 3	\$ 60,386	Grant
Real Estate Development	Narromine	Aerodrome Hangar - Lot 19	\$ 65,226	Grant
Real Estate Development	Narromine	Dappo Road Development	\$ 410,147	General Fund Reserves
Recreation Facilities	Narromine	Fowler Engine Restoration	\$ 58,069	General Fund Reserves
Recreation Facilities	Narromine	Cale Oval South End Development	\$ 96,217	Grant/General Fund Reserves
Recreation Facilities	Narromine	Boat Ramp Rotary Park	\$ 169,279	Grant
Recreation Facilities	Tomingley	Eric Woods Park Upgrade	\$ 28,200	Grant
Recreation Facilities	Narromine	Rotary Park Toilets Upgrade	\$ 125,264	Grant
Recreation Facilities	Trangie	Main Street Toilets Upgrade	\$ 99,758	Grant
Recreation Facilities	Narromine	Cale Oval Spectator Hill	\$ 9,888	Grant
Recreation Facilities	Tomingley	Multi Purpose Court and Halls Sports Areas Works	\$ 30,392	Grant
Recreation Facilities	Narromine	Swimming Pool Shade Structure Replacement - Southern End	\$ 23,034	General Fund Reserves
Roads	Narromine	Tullamore Road Repair Grant Oaks Bridge Road Realignment - 0.00km to 1.00km	\$ 347,552	Grant
Roads	Narromine	Block Grant Eumungerie Road Heavy Patches	\$ 94,512	Grant
Roads	Narromine	Block Grant Tomingley Road Heavy Patches	\$ 100,000	Grant
Roads	Narromine	Block Grant Trangie Dandaloo Road Heavy Patches	\$ 64,652	Grant
Roads	Trangie	Truck Wash Grant	\$ 317,943	Grant
Roads	Narromine	RTR - Roads to Recovery - Gainsborough Road	\$ 384,403	Grant
Roads	Narromine	2020-2021 FAGS - Culvert Replacement Program	\$ 49,214	Grant
Roads	Narromine	Grant - Local Roads and Community Infrastructure Program Phase 2 - Gainsborough Road	\$ 350,847	Grant
Roads	Narromine	Fixing Local Roads Program Round 3 - Dulla Dulla Road - FLR300109	\$ 117,314	Grant/General Fund Reserves
Roads	Narromine	Fixing Local Roads Program Round 3 - Eureka Road - FLR300109	\$ 94,039	Grant/General Fund Reserves
Roads	Trangie	Heavy Vehicle Truck Stop	\$ 24,508	Grant
Roads	Tomingley	Drainage	\$ 54,129	Grant
Roads	Narromine	Netball Car Park Terangion Street	\$ 8,920	Grant
Roads	Narromine	Cale Oval - Road Pavement	\$ 399,822	Grant

ATTACHMENT 2 - CARRY OVER CAPITAL WORKS PROGRAM
FROM 2021/22 Projects started but not completed

Roads	Trangie	Upgrade Wombat Crossing and Signage	\$ 47,046	Grant
Stormwater	Narromine	Drainage - Skypark Residential Area Taxiways	\$ 752	General Fund Reserves
Stormwater	Narromine	Wetlands Extension	\$ 461,796	Grant/General Fund Reserves
Water Supply	Narromine	Water - Natural Resource Access Regulator (NRAR) Metering Compliance	\$ 26,332	Water Fund Reserves
Water Supply	Narromine	Solid Separation System - Bore 6	\$ 77,225	Water Fund Reserves
Water Supply	Tomingley	Water Supply Augmentation Project	\$ 98,091	Grant/Water Fund Reserves
Water Supply	Tomingley	Water Tomingley Treatment Plant Capital	\$ 114,960	Grant/Water Fund Reserves
Water Supply	Narromine	2021-2022 Regional Airports Program Rd2 - Narromine Aerodrome - Water Mains Replacement	\$ 120,237	Grant/Water Fund Reserves
Water Supply	Narromine	Water Meter Replacement Program Capital	\$ 483	Water Fund Reserves
Water Supply	Narromine	2020-2021 Water Electronic Water Meter Reading Equipment Capital Replacement	\$ 14,775	Water Fund Reserves
Water Supply	Narromine	Showground Water Reticulation Upgrade	\$ 2,805	Grant
Sewer	Trangie	Sewer Treatment Plant Capital Upgrade - Trangie	\$ 114,469	Sewer Fund Reserves
Sewer	Narromine	Sewer - Dappo Rd Sewer Pump Station - South East Corner Land Development	\$ 552,442	Grant
Cemetery Operations	Narromine	Cemeteries Narromine Headstone Extension Capital	\$ 19,497	General Fund Reserves
Cemetery Operations	Narromine	2017-2018 Cemeteries Narromine Construct New Road Capital	\$ 4,955	General Fund Reserves
Total			\$ 7,072,684	

ATTACHMENT 3 - CARRY OVER CAPITAL WORKS PROGRAM FROM 2021/22

Projects not started

Asset Class	Town	Project Description	Amount to be Carried Over	Funded by
Aerodrome	Narromine	Taxiway "C" Reseal	\$ 110,000	Grant/General Fund Reserves
Aerodrome	Narromine	Reseal of Apron Areas	\$ 154,000	Grant/General Fund Reserves
Recreation Facilities	Tomingley	Dicken Park Upgrade	\$ 52,468	Grant
Recreation Facilities	Trangie	Library Toilets Upgrade	\$ 60,000	Grant
Roads	Narromine	Fixing Local Roads Program Round 3 - Cobboco Road - FLR300109	\$ 210,000	Grant/General Fund Reserves
Roads	Narromine	Fixing Local Roads Program Round 3 - Pineview Road - FLR300109	\$ 210,000	Grant/General Fund Reserves
Roads	Narromine	Fixing Local Roads Program Round 3 - Morris Road - FLR300109	\$ 115,000	Grant/General Fund Reserves
Roads	Narromine	Fixing Local Roads Program Round 3 - Cornucopia Road - FLR300109	\$ 115,000	Grant/General Fund Reserves
Roads	Narromine	Fixing Local Roads Program Round 3 - Woodleigh Road - FLR300109	\$ 115,000	Grant/General Fund Reserves
Stormwater	Narromine	Drainage - Meringo Street Narromine	\$ 40,836	General Fund Reserves
Cemetery Operations	Narromine	Cemeteries Narromine Irrigation System Capital	\$ 5,856	General Fund Reserves
Total			\$ 1,188,160	